

Ben Johnson Associates, Inc.

6070 West Hill Rd.
Boise, Idaho 83703
Phone: (208) 342-1700
Fax: (208) 384-1511

2252 Killearn Center Blvd
Tallahassee, Florida 32309
Phone: (850) 893-3600
Fax: (850) 668-2731

RESPONSE TO REQUEST FOR INFORMATION:
IDAHO LEGISLATIVE COUNCIL INTERIM COMMITTEE ON
ENERGY, ENVIRONMENT AND TECHNOLOGY
Re: INTEGRATED STATE ENERGY PLAN

**ECONOMIC
QUESTIONS?
WE HAVE
ANSWERS**



**Ben Johnson®
Associates, Inc**
ECONOMIC RESEARCH AND ANALYSIS

We propose a two stage process

- Stage One (3 months)
 - Plan the plan
 - Compile a profile of Idaho's energy situation
- Stage Two
 - Engage stakeholders and public
 - Develop policy options
 - Weave policies into integrated plan

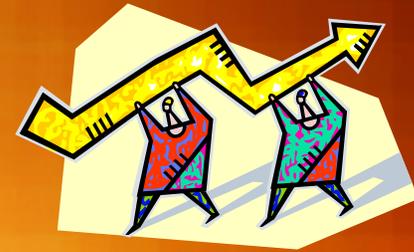


Stage One

- Plan the plan
 - Define what a plan is
 - Scope issues
 - Outcomes vs. policies
 - Vision of the future
- Engage stakeholders
 - DWR-Energy Division
 - DEQ
 - PUC
 - LSO
 - NGOs



Stage One



- Synthesize existing plans
- Describe the world we live in and its trends
- Prepare background report

1. IOU Integrated Resource Plans
 - A. Idaho Power Company
 - B. Avista
 - C. PacifiCorp
2. Public Power Loads, Forecasts, and Resources
3. Idaho Public Utilities Commission (IPUC) Annual Reports, utility filed documents, Commission Staff documents
4. Northwest Power and Conservation Council's Fifth Power Plan (and related documents and updates)
5. Bonneville Power Administration (BPA)
 - A. Annual Reports
 - B. White Books (Loads and Resource Studies)
 - C. Rate Case Publications (Power and Transmission)
 - D. Strategic Direction Documents
 - E. Miscellaneous Planning Documents
6. Pacific Northwest Utilities Conference Committee (PNUCC) Northwest Regional Forecast
7. Western Electric Coordinating Council (WECC) Reliability Center Strategic Planning Initiative Task

8. Force Report (and related documents)
Western Governors' Association's Clean and Diversified Energy Advisory Committee (CDEAC) Task Force Reports
9. Northwest Energy Coalition Citizens Energy Plan
10. Idaho National Laboratory (INL) Idaho's Energy Options
11. National Energy Policy Development Group, Reliable, Affordable and Environmentally Sound Energy for Americas Future
12. Western Resource Advocates, Balanced Energy Plan
13. U.S. Department of Energy (DOE) Annual Energy Outlook, Annual Energy Review, National Energy Policy Report
14. Federal Energy Regulatory Commission, Winter Energy Outlooks, State of the Markets Report, Summer Energy Market Assessments, Energy Policy Act (EPAct) documents
15. National Commission on Energy Policy, Ending The Energy Stalemate

Stage Two



- Develop menu of policy options
 - Working groups
 - Review benefits/costs, pros/cons
- Create “toolbox” for the future
 - Policies
 - Processes (e.g. siting?)
 - Roles for
 - Legislature, Governor, PUC, others

A useful and effective plan has

- Ownership by
 - Committee
 - Stakeholders
- Action orientation
- Strategies for ongoing policy development
- Proper context
 - Current, future
 - Neighboring states, regions (NW, West)
 - Feds (FERC)



A good plan has proper balance

- Responsibility
 - Who?
 - For what?
- Authority
 - Tools
 - Resources



Who we are

- Don Reading, Ben Johnson Associates
 - Project manager, economics
 - Coordination with Committee
 - 30 years in energy work
- Bob Anderson
 - Independent consultant, western utility policy
 - Montana PSC 1999-2002, leader in NARUC
 - 35 years in energy policy
- Bill Eastlake
 - Electricity Policy Adviser to IPUC
 - Staff to Energy Policy Resource Board on 1982 plan
 - Conservation & Renewable Energy Programs, Idaho Energy Office & Idaho Dept. of Water Resources



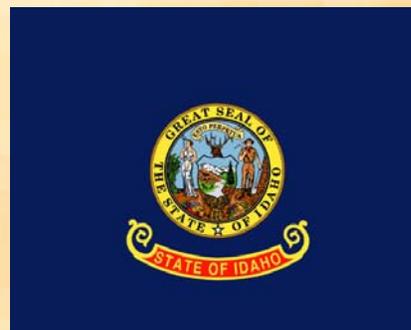
Costs



- Stage One
 - Not to exceed \$116,000
 - Billed hourly
- Stage Two
 - Not to exceed \$100,000
 - Billed hourly
 - Depends on requests from the Committee

We appreciate the opportunity to be of service.

- We believe we can help you meet your charge from the legislature and the expectations of your constituents.



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Tallahassee Office:
Ben Johnson Associates, Inc.
2252 Killearn Center Blvd.
Suite 2D
Tallahassee, Florida 32309
Ph: (850) 893-8600
Fax: (850) 668-2731
email: staff@benjohnsonassociates.com
<http://www.benjohnsonassociates.com>

Boise Office:
Ben Johnson Associates, Inc.
6070 Hill Road
Boise, Idaho 83703
Ph: (208) 342-1700
Fax: (208) 384-1511
email: dreading@mindspring.com
<http://www.utilityregulation.com/>



Bob Anderson
100 McFaul Way, Suite 108
Zephyr Cove, NV 89448
775.588.8740
bob-a@sbcglobal.net